MARK J. BENNETT 2672 Attorney General of Hawaii

ROBYN M. KUWABE 3001 Deputy Attorney General Department of Attorney General, State of Hawaii

Labor Division 425 Queen Street

Honolulu, Hawaii 96813

Telephone: 586-1450

Attorneys for Complainant Director of Labor and Industrial Relations

STATE OF HAWAII

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HAWAII LABOR RELATIONS BOARD

In the Matter of) CASE NO. OSH 2010-17
) (Inspection No. 313078701)
DIRECTOR, DEPARTMENT OF LABOR)
AND INDUSTRIAL RELATIONS,)
) STIPULATION AND SETTLEMENT
Complainant,) AGREEMENT; EXHIBIT A; APPROVAL
•) AND ORDER
VS.	
)
KENNEDY CONSTRUCTION	
CORPORATION,	
)
Respondent.)

STIPULATION AND SETTLEMENT AGREEMENT

Complainant Director of Labor and Industrial Relations ("Director") and Respondent KENNEDY CONSTRUCTION CORPORATION ("Respondent") having reached a full and complete settlement of the above-captioned contested case presently pending before the Hawaii Labor Relations Board ("Board") stipulate and agree as follows:

On or about January 27, 2010, the Director, by and through the State of Hawaii's

Occupational Safety and Health Division ("HIOSH"), inspected Respondent's workplace located at 1827 Kaohu Street, Wailuku, Hawaii 96793.

As a consequence of said inspection, the Director, through HIOSH's Administrator, issued a Citation and Notification of Penalty on July 26, 2010 ("Citation") to Respondent alleging violations of the Hawaii Occupational Safety and Health Standards and assessed an aggregate penalty of \$1,125.00. See Exhibit A.

Respondent timely contested the Citation.

THEREFORE, to avoid the expense of litigation and to compromise and settle the above-captioned case, the parties, by and through their respective representatives, stipulate and agree as follows:

- 1. The Board has jurisdiction over this contested case pursuant to section 396-11, Hawaii Revised Statutes ("HRS").
- 2. At all relevant times, Respondent maintained a workplace at 1827 Kaohu Street, Wailuku, Hawaii 96793.
- At all relevant times, Respondent was an employer, as defined in HRS § 396-3, and employed employees, as defined in HRS § 396-3, and was therefore subject to the requirements of HRS chapter 396, the Hawaii Occupational Safety and Health Law.
- 4. Respondent agrees that it has abated each violation listed in the Citation in compliance with the abatement requirements under Hawaii Administrative Rule § 12-51-22.
 - 5. The Citation is amended as follows:
- a. Citation 1, Item 1 the violation and characterization are affirmed but the penalty is reduced from \$375.00 to \$225.00.

- b. Citation 1, Item 2 the violation and characterization are affirmed but the penalty is reduced from \$375.00 to \$225.00.
- c. Citation 1, Item 3 the violation and characterization are affirmed but the penalty is reduced from \$375.00 to \$225.00
 - d. Citation 2, Item 1 is deleted.
 - e. Citation 2, Item 2 the violation and characterization are affirmed.
- 6. The Director reduces the aggregate penalty from \$1,250.00 to \$675.00 which shall be paid in full to the Director of Budget and Finance upon the execution of this Agreement.
- 7. Except for the stipulated amendments described above, the Citation is confirmed in all other respects and upon approval by the Board, this Agreement and the Citation, as amended, shall become a final order of the Director.
- 8. Respondent shall post a copy of this Agreement and Order in a prominent place at or near the location of the posting of the Citation, and the Agreement and Order shall remain posted for three working days (excluding weekends and State holidays).
- 9. Respondent shall continue to comply with HRS chapter 396, the Hawaii Occupational Safety and Health Law, and the related rules.
- 10. Nothing in this Agreement shall bar the Director from taking any action regarding future acts or practices by Respondent which may be alleged to violate HRS chapter 396, the Hawaii Occupational Safety and Health Law, or the related rules.
- Upon approval of this Agreement, all proceedings before the Board shall be dismissed.

DATED: Honolulu, Hawaii, November 16, 2010 .

KENNEDY CONSTRUCTION CORPORATION

DALE KENNEDY President & RME

APPROVED AS TO FORM:

DIRECTOR OF LABOR AND INDUSTRIAL RELATIONS

ROBYN W. KUWABE

Deputy Attorney General Attorney for Director of Labor and

Attorney for Director of Labor and Industrial Relations, State of Hawaii

PEARL IMADA IBOSHI

APPROVED AND SO ORDERED BY HAWAII LABOR RELATIONS BOARD:

ORDER NO. 408

DATED: November 16, 2010

AMES NICHOLSON, Chair

SARAM R. HIRAKAMI, Member

NORMAN K. KATO II, Member

Department of Labor and Industrial Relations HAWAII OCCUPATIONAL SAFETY AND HEALTH DIVISION 830 PUNCHBOWL STREET, ROOM 425

HONOLULU, HI 96813

Phone: (808)586-9110

FAX: (808)586-9104

Certified Number: 7006 0100 0005 8250 7661



Citation and Notification of Penalty

To:

Kennedy Construction Corp

and its successors P O Box 306

Kihei, HI 96753

Inspection Number:

313078701

Inspection Date(s): 01/27/2010- 01/27/2010

Issuance Date:

07/26/2010

OSHCO ID: Optional Report No.: 00810

X8851

Inspection Type:

Complaint

Scope of Inspection:

Comprehensive Inspection

Inspection Site: 1827 Kaohu St Wailuku, HI 96793

The violation(s) described in this Citation and Notification of Penalty is (are) alleged to have occurred on or about the day(s) the inspection was made unless otherwise indicated within the description given below.

This Citation and Notification of Penalty describes violations of the Hawaii Occupational Safety and Health Law. The penalty(ies) listed herein is (are) based on these violations. You must abate the violations referred to in this Citation by the dates listed and pay the penalties, unless within 20 calendar days from your receipt of this Citation and Notification of Penalty, you mail a notice of contest to the State of Hawaii Occupational Safety and Health Division (HIOSH) at the address shown above. Please refer to the enclosed booklet (Employer Rights and Responsibilities Following a HIOSH Inspection) which outlines your rights and responsibilities and which should be read in conjunction with this form. Issuance of this Citation does not constitute a finding that a violation of the Law has occurred unless there is a failure to contest as provided for in the Law or, if contested, unless this Citation is affirmed by the Hawaii Labor Relations Board (HLRB) or a court.

Posting - The law requires that a copy of this Citation and Notification of Penalty be posted immediately in a prominent place at or near the location of the violation(s) cited herein, or, if it is not practicable because of the nature of the employer's operations, where it will be readily observable by all affected employees. This Citation must remain posted until the violation(s) cited herein has (have) been abated, or for 3 working days (excluding weekends and State holidays), whichever is longer. The penalty dollar amounts need not be posted and may be marked out or covered up prior to posting.



Informal Conference - An informal conference is not required. However, if you wish to have such a conference you may request one with the Administrator during the 20 calendar day contest period. During such an informal conference, you may present any evidence or views which you believe would support an adjustment to the citation(s) and/or penalty(ies).

If you are considering a request for an informal conference to discuss any issues related to this Citation and Notification of Penalty, you must take care to schedule it early enough to allow time to contest after the informal conference, should you decide to do so. Please keep in mind that a written letter of intent to contest must be submitted to the Administrator within 20 calendar days of your receipt of this Citation. The running of this contest period is not interrupted by an informal conference.

If you decide to request an informal conference, please complete, remove and post the page 5, Notice to Employees, next to this Citation and Notification of Penalty as soon as the time, date, and place of the informal conference have been determined. Be sure to bring to the conference any and all supporting documentation of existing conditions as well as any abatement steps taken thus far. If conditions warrant, we can enter into an informal settlement agreement which amicably resolves this matter without litigation or contest.

Employers' Right to Contest - You have the right to contest this Citation and Notification of Penalty. You may contest all citation items or only individual items. You may also contest penalties and/or abatement dates without contesting the underlying violations. Unless you inform the Administrator in writing that you intend to contest the citation(s) and/or penalty(ies) within 20 calendar days after receipt, the citation(s) and the penalty(ies) will become a final order of the Department of Labor and Industrial Relations and may not be reviewed by any court or agency. Once a letter of contest is received, it becomes the jurisdiction of the HLRB.

Penalty Payment - Penalties are due within 20 calendar days of receipt of this notification unless contested. Make your check or money order payable to "Director of Budget and Finance." Please indicate the Inspection Number on the remittance.

HIOSH does not agree to any restrictions or conditions or endorsements put on any check or money order for less than the full amount due, and will cash the check or money order as if these restrictions, conditions, or endorsements do not exist.

Notification of Corrective Action - For each violations which you do not contest, you are required by Section 12-51-22 to submit an Abatement Certification to HIOSH. The certification must be sent by you within 5 calendar days of the abatement date indicated on the citation. For Willful and Repeat violations, documents (examples: photos, copies of receipts, training records, etc.) demonstrating that abatement is complete must accompany the certification. Where the citation is classified as Serious and the citation states that abatement documentation is required, documents such as those described above are required to be submitted along with the abatement certificate. If the citation indicates that the violation was corrected during the inspection, no abatement certification is required for that item.

All abatement verification documents must contain the following information: 1) Your name and address; 2) the inspection number (found on the front page); 3) the citation and citation item number(s) to which the submission relates; 4) a statement that the information is accurate; 5) the signature of the employer or employer's authorized representative; 6) the date the hazard was corrected; 7) a brief statement of how the hazard was corrected; and 8) a statement that affected employees and their representatives have been informed of the abatement.

The law also requires a copy of all abatement verification documents, required by Section 12-51-22 to be sent to HIOSH, also be posted at the location where the violation appeared and the corrective action took place.

Employer Discrimination Unlawful - The law prohibits discrimination by an employer against an employee for filing a complaint or for exercising any rights under this Act. An employee who believes that he/she has been discriminated against may file a complaint no later than 60 days after the discrimination occurred with the Hawaii Occupational Safety and Health Division at the address shown above.

Employer Rights and Responsibilities - The enclosed booklet (Employer Rights and Responsibilities Following a HIOSH Inspection) outlines additional employer rights and responsibilities and should be read in conjunction with this notification.

Employees' Right to Contest - The law gives an employee or his/her representative the opportunity to object to any abatement date set for a violation if he/she believes the date to be unreasonable. The contest must be mailed to the Hawaii Occupational Safety and Health Division at the address shown above and postmarked within 20 calendar days of the receipt by the employer of this Citation and Notification of Penalty.

Inspection Activity Data - You should be aware that OSHA publishes information on inspection and citation activity on the Internet under the provisions of the Electronic Freedom of Information Act. The information related to your inspection will be available 30 calendar days after the Citation Issuance Date. You are encouraged to review the information concerning your establishment at WWW.OSHA.GOV. If you have any dispute with the accuracy of the information displayed, please contact this ofice.

ABATEMENT CERTIFICATION

PEARL IMADA IBOSHI, DIRECTOR
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
HAWAII OCCUPATIONAL SAFETY AND HEALTH DIVISION
830 PUNCHBOWL STREET, ROOM 425
HONOLULU, HI 96813

Kennedy Construction Corp P O Box 306 Kihei, HI 96753

Citation How corrected:	and Item	for the violation identified as was corrected on
The hazard reference Citation	ed in Inspection Number _	for the violation identified as was corrected on
The hazard reference Citation	d in Inspection Number	for the violation identified as was corrected on
The hazard referenced Citation	d in Inspection Number	for the violation identified as was corrected on
The hazard referenced Citation	in Inspection Number	for the violation identified as was corrected on
attest that the inform	nation contained in this d	document is accurate and that the affected employees and the nent activities described in this certification.
gnature		
ped or Printed Name		

Department of Labor and Industrial Relations Hawaii Occupational Safety and Health Division



NOTICE TO EMPLOYEES OF INFORMAL CONFERENCE

An informal conference has been scheduled with HIOSH to discuss the citation(s) issued on
07/26/2010. The conference will be held at the HIOSH office located at 830 PUNCHBOWL
STREET, ROOM 425, HONOLULU, HI, 96813 on at
Employees and/or representatives of employees have a right to attend an informal conference.

Department of Labor and Industrial Relations Hawaii Occupational Safety And Health Division **Inspection Number:** 313078701

Inspection Dates: 01/27/2010 - 01/27/2010

Issuance Date: 07/26/2010



Citation and Notification of Penalty

Company Name:

Kennedy Construction Corp

Inspection Site:

1827 Kaohu St, Wailuku, HI 96793

Citation 1 Item 1 Type of Violation: Serious

29 CFR 1926.102(a)(2) [Refer to chapter 12-114.2, HAR] was violated because:

Three employees who operate portable hand held saws and pneumatic nail guns were not wearing protective eye wear that met the requirements specified in American National Standards Institute Z87.1. Two employees were wearing regular sunglasses and another was wearing prescription glasses.

29 CFR 1926.102(a)(2) states "Eye and face protection equipment required by this Part shall meet the requirements specified in American National Standards Institute, Z87.1-1968, Practice for Occupational and Educational Eye and Face Protection."

Location: Jobsite

Date By Which Violation Must be Abated:

08/02/2010 \$ 375.00

Penalty:

Citation 1 Item 2 Type of Violation: Serious

29 CFR 1926.404(a)(2) [Refer to chapter 12-141.1, HAR] was violated because:

A 3-wire blue flexible extension cord tested reverse polarity.

29 CFR 1926.404(a)(2) states "Polarity of connections. No grounded conductor shall be attached to any terminal or lead so as to reverse designated polarity."

Location: Jobsite

Date By Which Violation Must be Abated:

08/02/2010

Penalty:

\$ 375.00

Department of Labor and Industrial Relations Hawaii Occupational Safety And Health Division Inspection Number: 313078701

Inspection Dates: 01/27/2010 - 01/27/2010

Issuance Date: 07/26/2010



Citation and Notification of Penalty

Company Name:

Kennedy Construction Corp

Inspection Site:

1827 Kaohu St, Wailuku, HI 96793

Citation 1 Item 3 Type of Violation: Serious

29 CFR 1926.404(b)(1)(i) [Refer to chapter 12-141.1, HAR] was violated because:

Neither ground fault circuit interrupters or an assured equipment grounding conductor program was in use.

29 CFR 1926.404(b)(1)(i) states "General. The employer shall use either ground fault circuit interrupters as specified in paragraph (b)(1)(ii) of this section or an assured equipment grounding conductor program as specified in paragraph (b)(1)(iii) of this section to protect employees on construction sites. These requirements are in addition to any other requirements for equipment grounding conductors."

Location: Jobsite

Date By Which Violation Must be Abated:

08/02/2010

Penalty:

\$ 375.00

Department of Labor and Industrial Relations Hawaii Occupational Safety And Health Division Inspection Number: 313078701

Inspection Dates: 01/27/2010 - 01/27/2010

Issuance Date: 07/26/2010



Citation and Notification of Penalty

Company Name: Kennedy Construction Corp

Inspection Site: 1827 Kaohu St, Wailuku, HI 96793

Citation 2 Item 1 Type of Violation: Other

29 CFR 1926.95(a) [Refer to chapter 12-114.2, HAR] was violated because:

Employees were not wearing safety toe footwear.

29 CFR 1926.95(a) states "Protective equipment, including personal protective equipment for eyes, face, head, and extremities, protective clothing, respiratory devices, and protective shields and barriers, shall be provided, used, and maintained in a sanitary and reliable condition wherever it is necessary by reason of hazards of processes or environment, chemical hazards, radiological hazards, or mechanical irritants encountered in a manner capable of causing injury or impairment in the function of any part of the body through absorption, inhalation or physical contact."

Location: Jobsite

Date By Which Violation Must be Abated: Penalty:

08/02/2010

\$ 0.00

Department of Labor and Industrial Relations Hawaii Occupational Safety And Health Division Inspection Number: 313078701

Inspection Dates: 01/27/2010 - 01/27/2010

Issuance Date: 07/26/2010



Citation and Notification of Penalty

Company Name:

Kennedy Construction Corp

Inspection Site:

1827 Kaohu St, Wailuku, HI 96793

Citation 2 Item 2 Type of Violation: Other

29 CFR 1910.178(I)(4)(iii) [Refer to chapter 12-73.1, HAR] was violated because:

The operator of a Lull Highlander forklift did not have his performance evaluated at least once every three years.

29 CFR 1910.178(1)(4)(iii) states "An evaluation of each powered industrial truck operator's performance shall be conducted at least once every three years."

Location: Jobsite

Date By Which Violation Must be Abated:

08/16/2010

Penalty:

\$ 0.00

PEARL IMADA IBOSHI

Director

Department of Labor and Industrial Relations HAWAII OCCUPATIONAL SAFETY AND HEALTH DIVISION 830 PUNCHBOWL STREET, ROOM 425 HONOLULU, HI 96813

SUMMARY OF PENALTIES

Company Name:

Kennedy Construction Corp

Inspection Site:

1827 Kaohu St, Wailuku, HI 96793

Issuance Date:

07/26/2010

Summary of Penalties for Inspection Number 313078701

Citation 1, Serious = \$ 1,125.00 Citation 2, Other = \$ 0.00 TOTAL PENALTIES = \$ 1,125.00

Make check or money order payable to the "Director of Budget and Finance." Please indicate the <u>inspection number</u> and dba, if company name is different, on the remittance. A fee of \$15.00 will be charged for any returned checks.

If receipt is desired, please indicate with payment; otherwise, your cancelled check will be your receipt.